

**IMPLEMENTATION OF FACILITIES AND ADMINISTRATIVE COSTS RATE
AGREEMENT**
April 2007

Existing Awards

Grants, contracts and other agreements currently in effect will continue with the existing facilities and administrative costs rate and MTDC base for the duration of the award.

New Awards

New awards will be charged the facilities and administrative cost rate and MTDC base stipulated in the award agreement from the initial budget period through the project period awarded. For example, NSF awards often project a three-year grant based on a three-year proposal, but only fund one year at a time. As the funding level for all three years is based on the initial proposal, all three years will carry the rate in the approved proposal. Subsequent renewal or continuation periods will be assessed the new rate and MTDC base in effect at that time.

Proposals

All proposals received by ORAA must budget the new facilities and administrative cost rate for budget periods beginning July 1, 2007

Subagreements

The first \$25,000 of each subgrant and subcontract will be assessed the same facilities and administrative cost rate applied to the project as a whole.

Off-Campus, Remote

An off-campus project is defined as one which, for three or more continuous months, does not make use of facilities or space supported by UM.

Projects are designated as on-campus unless 25% or more of the direct costs of the project meet the off campus definition. In cases where a single project has a mix of on- and off-campus costs, separate accounts will be created for the on- and off-campus portions. Justification for use of other than the on-campus rate should be included in the proposal's budget explanation. The off-campus site is to be provided on the UMCP internal Routing Form for Proposals, item 17.b.

Off-Campus, Adjacent

An adjacent project is one that meets the criteria for an off-campus project and is within commuting distance (50 miles) from College Park. This rate is applicable only to research projects.

Equipment

Equipment is defined as an article of non-expendable, tangible property having a useful life of more than one year and an acquisition cost of \$5,000 or more.